ARGO INVESTMENTS LIMITED

AUDIT & RISK COMMITTEE CHARTER

INTRODUCTION

1.1 This Charter governs the operations of the Audit & Risk Committee (Committee) of Argo Investments Limited (Argo).

1.2 The Committee provides assistance to the Board in fulfilling its responsibilities in relation to the Company's financial reporting functions and operational risk management.

1.3 It is noted that the Board is responsible for the review of the Company's investment portfolio risk management function.

1.4 The Committee is empowered to access adequate internal and external resources including engaging independent counsel and other advisers as it determines necessary to carry out its duties, or delegate any of its duties and responsibilities to a sub-committee of the Committee.

1.5 References to the Company include its wholly owned subsidiary, Argo Service Company Pty Ltd (ASCO), which employs the Managing Director, other executives and employees who provide management services to the Company. References to the management resources of the Company include those of ASCO and the Company's governance policies and codes are applicable to ASCO staff.

RESPONSIBILITIES

2.1 The responsibilities of the Committee include:

(a) reviewing the effectiveness of the Company's accounting, reporting, compliance and control systems relating to financial reporting;

(b) reviewing half-year and full-year financial statements and Appendices 4D and 4E to be satisfied that these documents give a true and fair view of the financial position and performance of the Company and comply with relevant accounting standards, the Corporations Act and other requirements relating to the preparation of financial statements;

(c) reviewing the appropriateness of the accounting judgements exercised by management in preparing the Company's financial statements;

(d) reviewing taxation related risk and governance matters;

(e) providing the link between the external auditor and the Board of Directors;

(f) making recommendations to the Board on the appointment, reappointment or replacement and remuneration of the external auditor;

(g) reviewing and assessing the independence and performance of the external auditor;

(h) ensuring the external audit engagement partner is rotated in accordance with legislation and the Company Policy;

(i) reviewing the scope, processes and results of the external audit;

(j) approving any non-audit services provided by the external auditor and ensuring that they do not compromise auditor independence;

(k) investigating any matter brought to its attention;

(l) meeting separately with external auditors without management present when it considers appropriate;

(m) requesting the external auditor include in the audit process specific tests and procedures as stipulated from time to time by the Committee;

(n) considering at least annually whether the implementation of an internal audit function is appropriate;

(o) reviewing compliance with, and reporting of, relevant climate-related risks and broader environmental, social and governance requirements and making recommendations to the Board; and

(p) assessing and monitoring operational risk matters as events occur and conditions change during the year, noting that the Board conducts a full review of the risk management framework annually.

COMPOSITION

3.1 The Committee shall comprise at least three members, each of whom is a non-executive Director. A majority of members shall be independent Directors. "Independence" shall be determined in accordance with the Company's Board Charter.

3.2 The Board shall appoint a Committee Chair, who is an independent Director and who is not also chairperson of the Board.

3.3 All Committee members shall be financially literate. At least one member shall have accounting and/or related financial expertise as determined by the Board.

MEETINGS

4.1 A quorum for Committee meetings shall be any two members. Any Director who is not a Committee member may attend (but not vote at) a meeting of the Committee. The Committee may also invite management or other individuals to attend meetings, as they consider appropriate.

4.2 The Committee shall report to the Board on all matters relevant to the Committee's role and responsibilities. Minutes of Committee meetings shall be included in the papers for the next Board meeting after each Committee meeting.

4.3 Draft minutes of each Committee meeting are to be prepared and forwarded to the Chair within seven business days of the meeting, and after any amendments by the Chair, to the remaining members within another three business days. Committee members should advise their approval or any requested amendments within a further ten business days, so that the approved minutes may be entered into the minute book within one month and signed by the Chair within a reasonable time after the Committee meeting.

REVIEW

5.1 The Committee shall conduct a review of its performance at least once per year.

5.2 The Committee shall review its Charter annually, to ensure that it allows for effective operation.